



USE OF THIS MANUAL

The *AHCCCS Billing Manual for IHS/Tribal Providers* is a publication of the Arizona Health Care Cost Containment System (AHCCCS) Claims Department, Division of Fee-For-Service Management (DFSM). The Claims Department also publishes *Claims Clues* as a supplement to the manual. Questions or comments related to this manual should be directed to the AHCCCS Claims Policy Unit via the AHCCCS Web site, or you may submit your questions and comments to AHCCCS Claims Policy Unit, 701 E. Jefferson, Mail Drop 8000, Phoenix, AZ 85034.

This manual contains basic information concerning AHCCCS, Arizona's Medicaid program. AHCCCS also administers several other healthcare programs for low-income individuals who do not qualify for Medicaid, such as KidsCare and Medicare Cost Sharing. The intent of this manual is to furnish Indian Health Service (IHS) and tribal providers' billing staffs with information about AHCCCS, coverage of specific services, and requirements for completion and submission of fee-for-service claims to the AHCCCS Administration.

IHS and tribal providers' office staffs/billers should become familiar with requirements for prior authorization, use of modifiers, recipient eligibility and enrollment, and billing policies and procedures. Use of the manual will help reduce questions about those issues and coverage of services and expedite the claims process by ensuring that claims are filed correctly the first time.



AHCCCS OVERVIEW

The Arizona Health Care Cost Containment System was implemented on October 1, 1982, as the nation's first statewide indigent health care program designed to provide services to eligible persons primarily through a prepaid capitated managed care system. Operating as a demonstration project under the federal Medicaid program, AHCCCS receives federal, state and county funds to operate, plus some monies from Arizona's tobacco tax.

The Arizona Long Term Care System (ALTCS) was implemented December 19, 1988, for the developmentally disabled and on January 1, 1989, for the elderly and physically disabled. ALTCS provides institutional care and home and community based services to individuals who meet financial eligibility requirements and are at risk of institutionalization.

AHCCCS reimburses IHS and tribal providers on a fee-for-service basis for services provided to Native American recipients who are eligible for AHCCCS or ALTCS but not enrolled with AHCCCS-contracted acute care health plans or long term care program contractors, except as noted below.

AHCCCS does reimburse IHS and tribal providers on a fee-for-service basis for services provided to Native American recipients enrolled in acute care health plans and long term care program contractors when the following criteria are met:

- ☒ The recipient must be Title XIX (Medicaid) eligible.
 - ✓ If the recipient is a KidsCare (Title XXI) recipient, the claim must be sent to the plan and not to the AHCCCS Administration.
- ☒ The recipient must be enrolled with one of the AHCCCS-contracted health plans or program contractors.
- ☒ The services must be provided directly by the IHS or 638 tribal provider.
 - ✓ Any services provided off-reservation must be billed to the recipient's health plan or program contractor.

AHCCCS **never** reimburses a recipient, even if a recipient has paid a provider for services received.



AHCCCS-COVERED SERVICES

NOTE: The covered services, limitations, and exclusions described are global in nature and are listed here to offer general guidance to providers. Specific questions regarding covered services, limitations, and exclusions should be addressed to the AHCCCS Office of Special Programs at (602) 417-4053. The *AHCCCS Medical Policy Manual (AMPM)* also is available on the AHCCCS web site at www.ahcccs.state.az.us.

AHCCCS provides coverage for medically necessary services furnished to Native American recipients by registered AHCCCS providers. The AHCCCS acute care program offers preventive, acute, and behavioral health care services with limited coverage of rehabilitative services, home health care and long term care, as specified in A.A.C. Title 9, Chapter 22, Articles 2 and 12. Long term care services are covered more extensively through ALTCS, as specified in A.A.C. Title 9, Chapter 28, Articles 2 and 11. Services covered under the Title XXI State Children's Health Insurance Program known as KidsCare are specified in A.A.C. Title 9, Chapter 31, Articles 2, 12, and 16. All covered services must be medically necessary and provided by a primary care provider (PCP), or other qualified provider as defined in the *AMPM*.

Out-of-state services are covered as provided for under 42 CFR, Part 431, Subpart B. This includes services that, as determined on the basis of medical advice, are more readily available in other states, and services needed due to a medical emergency. Services furnished to AHCCCS members outside the United States are not covered.

Medical necessity may be determined through professional review for appropriateness of services provided in conjunction with established criteria related to severity of illness and intensity of services. Documentation submitted by providers is key to the determination of medical necessity. Failure to submit documentation that substantiates medical necessity may result in denial of reimbursement.

Coverage of services is subject to AHCCCS rules, policies, and requirements, including, but not limited to:

- ☒ Prior authorization
- ☒ Concurrent review
- ☒ Medical review
- ☒ Postpayment review
- ☒ Special consent requirements



AHCCCS-COVERED SERVICES (CONT.)

Coverage of services falls into two broad categories:

- ☒ AHCCCS acute care program
 - ✓ Preventative and acute medical care services
 - ✓ Behavioral health services
 - ✓ Limited rehabilitative services, home health care, and nursing home care
- ☒ ALTCS program
 - ✓ Preventative and acute medical care services
 - ✓ Behavioral health services
 - ✓ Long term care institutional services
 - ✓ Alternative residential living services
 - ✓ Home and community based services
 - ✓ Speech, physical, respiratory, and occupational therapies
 - ✓ Nursing services for ventilator dependent individuals residing at home

Subject to exclusions and limitations addressed in the *AMPM* and AHCCCS rule, the following services are covered when medically necessary. This list is **not** all-inclusive. Further information on coverage, limitations, and authorization requirements can be found in specific chapters of this manual.

- ☒ Behavioral health services (emergency crisis stabilization)
- ☒ Dental services (limited for adults)
- ☒ Dialysis services
- ☒ Emergency services
- ☒ Eye examinations and optometry services
- ☒ Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services for individuals under age 21
- ☒ Family planning
- ☒ Health risk assessments and screening tests
- ☒ Home health services
- ☒ Hysterectomy services



AHCCCS-COVERED SERVICES (CONT.)

Subject to exclusions and limitations addressed in the *AMPM*, the following services are covered when medically necessary. This list is **not** all-inclusive. (Cont.)

- ☒ Immunizations
- ☒ Inpatient hospital services
- ☒ Laboratory, radiology, and medical imaging services
- ☒ Maternal and child health services
- ☒ Medical supplies, durable medical equipment, and orthotic/prosthetic devices
- ☒ Observation services
- ☒ Organ transplants and related immunosuppressant drugs
- ☒ Podiatry services
- ☒ Prescription drugs
- ☒ Physician services
- ☒ Radiology and medical imaging
- ☒ Rehabilitation therapies
- ☒ Transportation

In addition to the acute services listed above and on the previous page, the following ALTCS services are covered when medically necessary and authorized, subject to exclusions and limitations addressed in the *AMPM* and AHCCCS rule. This list is **not** all-inclusive.

- ☒ Case management services, including tribal case management services
- ☒ Institutional services
- ☒ Home and community based services

The following behavioral health services also are covered under ALTCS when medically necessary and authorized, if appropriate. This list is **not** all-inclusive.

- ☒ Evaluation, diagnostic and case management services
- ☒ Institutional services
- ☒ Professional services
- ☒ Rehabilitation services



NON-COVERED SERVICES

AHCCCS does not pay for services that are provided free to the recipient, such as free chest X-rays provided by a voluntary health organization and free samples or items received for use in studies or as starter doses. The following list of other non-covered services is *not* all-inclusive. To obtain specific information, consult the *AMPM* and AHCCCS rule or contact the AHCCCS Office of Special Programs at (602) 417-4053.

Services *not* covered by AHCCCS include:

- ☒ Services mandated for purposes of meeting non-medical requirements, such as employment physicals and physician visits required for a license or certificate
- ☒ Services provided by or under the direction of naturopaths
- ☒ Personal comfort items and services
- ☒ Cosmetic surgery intended solely to improve the physical appearance of a recipient
- ☒ Reconstructive surgical procedures intended to improve function and appearance of any body part or organ which has been altered by disease, trauma, congenital or developmental anomalies or previous surgical processes unless the services are medically necessary
 - ✓ Clear and precise documentation substantiating medical necessity for reconstructive surgery is required for AHCCCS to determine if the service is covered.
- ☒ Therapeutically induced abortions and abortion counseling unless:
 - ✓ The pregnant member suffers from a physical disorder, physical injury, or physical illness, including a life endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the member in danger of death unless the pregnancy is terminated, or
 - ✓ The pregnancy is a result of rape or incest, or
 - ✓ The pregnancy termination is medically necessary according to the medical judgment of a licensed physician who attests that continuation of the pregnancy could reasonably be expected to pose a serious physical or mental health problem for the pregnant member by:
 - ☒ Creating a serious physical or mental health problem for the pregnant member, or
 - ☒ Seriously impairing a bodily function of the pregnant member, or
 - ☒ Causing dysfunction of a bodily organ or part of the pregnant member, or
 - ☒ Exacerbating a health problem of the pregnant member, or
 - ☒ Preventing the pregnant member from obtaining treatment for a health problem.



NON-COVERED SERVICES (CONT.)

Services *not* covered by AHCCCS include (Cont.):

- ☒ Penile implants for recipients over 21 years of age
- ☒ Hearing aids, except as allowed under EPSDT for recipients under 21 and for KidsCare recipients under age 19
- ☒ Eye exams and eyeglasses, except as allowed under EPSDT for recipients under 21 and for KidsCare recipients under age 19
 - ✓ Provision of prescriptive lenses is covered for adults when medically necessary following cataract removal.
- ☒ Routine dental care, except as allowed under EPSDT for recipients under 21 and for KidsCare recipients under age 19
- ☒ Routine circumcision for newborn males
- ☒ Norplant insertion
- ☒ Services determined to be experimental or provided primarily for the purpose of research
- ☒ Artificial or mechanical hearts or xenografts
- ☒ Services provided to residents of a tuberculosis or behavioral health treatment institution
- ☒ Treatment for drug abuse unless authorized in rule
- ☒ Outpatient occupational and speech therapy except as allowed under EPSDT, ALTCS, and KidsCare